

BLANK ROME, LLP
Attorneys for Defendant MILAN NIGERIA LTD.
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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

CRUISER SHIPPING PTE LTD. and
UNIVERSAL NAVIGATION PTE LTD.,

07 CV 4036 (JGK)

Plaintiffs

-against-

SUNDERSONS LTD., MILAN NIGERIA LTD.,
SIMRAN MEHER LTD. and VALECHHA
HOLDINGS LIMITED,

Defendants

**AFFIDAVIT OF THOMAS H. BELKNAP, JR.
IN SUPPORT OF MOTION FOR COUNTERSECURITY**

State of New York :

: ss:

County of New York :

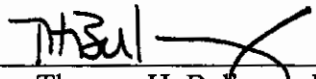
THOMAS H. BELKNAP, JR., being duly sworn, hereby deposes and says:

1. I am a partner at Blank Rome LLP and am admitted to practice before this Honorable Court. I am the attorney principally responsible for the handling of this matter for defendant Milan Nigeria Ltd and I make this affidavit in support of its motion seeking

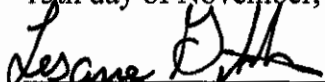
countersecurity from plaintiffs pursuant to Rule E(7)(a) of the Supplemental Rules for Certain Admiralty and Maritime Cases. I am fully familiar with the facts stated herein.

2. Attached as Exhibit A hereto is a copy of plaintiffs' Second Amended Verified Complaint. As can be seen, Plaintiffs claim damages in the principal amount of \$311,650. Plaintiffs contend that the merits of their claims are subject to arbitration in London, and they have in fact commenced arbitration in London against Milan and defendant Sundersons, Limited in respect of the claims asserted in this action. Plaintiffs commenced the present action for the purpose of seeking security from defendants pursuant to Rule B of the Supplemental Admiralty Rules. Plaintiffs also seek security for interest in the amount of \$60,964 plus fees and costs of \$45,000. In total, plaintiffs seek security of \$417,614.40.
3. On or about September 11, 2007, garnishee Standard Chartered Bank reportedly restrained funds of Milan Nigeria Ltd in the full amount of the claim, *i.e.*, \$417,614.40. A copy of Standard Chartered's Answer of Garnishee dated October 4, 2007 is attached here to as Exhibit B.
4. On or about November 2, 2007, Milan filed a counterclaim in the London arbitration against plaintiff Cruiser Shipping Pte Ltd. A copy is attached hereto as Exhibit C. As can be seen, the counterclaim relates to the same dispute which is the subject of Plaintiffs' complaint, *i.e.*, claims arising under a charter and bills of lading relating to a cargo of rice carried aboard plaintiffs' vessel M/V CRUISER from Kakinada, India to Lagos and Port Harcourt, Nigeria, and seeks a net recovery in Milan's favor of approximately \$218,000.
5. Milan subsequently determined that it had miscalculated its claim in the counterclaim as filed, and so it has prepared an amended counterclaim which correctly sets forth its claim. The amended counterclaim, which will be filed presently with the arbitrators, is against both plaintiffs in this action, Cruiser and Universal Navigation Pte Ltd. A copy of Milan's amended counterclaim is attached as Exhibit D. As can be seen, the facts and circumstances surrounding the claim are identical to those in the original counterclaim, and the principal claim for recovery is \$94,907.16.

6. Attached herewith as Exhibit "E" is a copy of Defendant Milan's Answer with Counterclaim filed on November 15, 2007. As can be seen, it seeks countersecurity in the total amount of \$158,472.73, inclusive of \$18,565.57 of interest and \$45,000 in anticipated recoverable legal fees and costs.


Thomas H. Belknap, Jr.

Sworn to before me this
15th day of November, 2007


Notary Public

LESCENE GIBBONS
Notary Public, State of New York
No. 01GI6044509
Qualified in New York County
Commission Expires July 10, 20 10